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JAGTIANI & NAIK
CHARTERED ACCOUNTANTS

12-13, ESPLANADE, 3RD FLOOR, 3, AMRIT KESHAV NAYAK MARG,
FORT, MUMBAI- 400 001.

INDEPENDENT AUDITORS' REPORT

To

The Partners of
NETEL KRISHNA ECO PROJECTS LLP

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **NETEL KRISHNA ECO PROJECTS LLP (Registration No. AAY-9765)** (hereinafter referred to as "LLP"), which comprise the Balance sheet as at 31st March, 2024 and the Profit and Loss Statement for the year then ended and a summary of significant accounting policies and other explanatory information (collectively referred to as "Financial Statements").
2. In our opinion, the accompanying financial statements give true and fair view of the financial position of the LLP as at 31st March, 2024 and financial performance for the year then ended in accordance with Accounting Standards issued by Institute of Chartered Accountants of India ("ICAI").

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the LLP in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Partners' Responsibility for the Financial Statements

4. The LLP's management (designated partners) is responsible for the preparation of the financial statements in accordance with the Rule 24 of the Limited Liability Partnership Rules, 2009 ("the rules"), and for such internal controls as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.



5. In preparing the financial statements, LLP's management is responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless LLPs' management either intend to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.
6. Management is also responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibility

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :
 - a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the LLP's management.
 - d) Conclude on the appropriateness of the LLP's management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LLP's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the



related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

- e) We communicated with the LLP's management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For JAGTIANI & NAIK
Chartered Accountants
(ICAI Reg. No. 103854W)



R. H. SHAH
PARTNER
Membership No. 139417

UDIN : 24139417BKCNSK9251

PLACE : MUMBAI

DATED : 3RD SEPTEMBER, 2024

NETEL KRISHNA ECO PROJECTS LLP
BALANCE SHEET AS AT 31ST MARCH 2024

Particulars	Note No	As at 31st March, 2024	As at 31st March, 2023
Capital Employed			
Partners' funds			
Partners Capital Account	2	100,000	100,000
Partners Current Account	3	32,235,707	32,114,888
		32,335,707	32,214,888
Non-current liabilities			
Deferred Tax Liabilities		676,530	1,127,122
		676,530	1,127,122
TOTAL		33,012,237	33,342,010
Application of Funds			
Property, Plant and Equipment	4	953,192	1,083,800
		953,192	1,083,800
Current assets, Loans and Advances			
Inventories	5	5,170,950	2,734,061
Trade receivables	6	103,304,330	139,584,716
Cash and bank balances	7	1,658,629	8,667,635
Short-term loans and advances	8	4,143,541	4,141,032
Other current assets	9	4,468,000	4,950,531
Total (a)		118,745,449	160,077,976
Less : Current Liabilities and Provisions			
Current Liabilities	10	86,686,403	121,555,477
Provisions	11	-	6,264,290
Total (b)		86,686,403	127,819,767
Net Current Assets (a-b)		32,059,046	32,258,209
TOTAL		33,012,237	33,342,010

As per our report of even date attached

For JAGTIANI & NAIK
Chartered Accountants
Firm Regn. No. 103854W


R. H. SHAH
PARTNER
Membership No. 139417

PLACE: MUMBAI
DATED: 3 SEP 2024

For and on behalf of the Partners


On Behalf of Krishna Buildspace Pvt Ltd
Designated Partner : Sandip M Sorathia
DIN :06433083


On Behalf of Netel (India) Ltd
Designated Partner : Tarjindar Singh
DIN : 02544712

NETEL KRISHNA ECO PROJECT LLP
PROFIT AND LOSS STATEMENT FOR THE YEAR 2023-2024

Particulars	Note No	2023-24 Rs.	12th Oct 2021 to 31st Mar 2023 Rs.
Income :			
Revenue from Operations	12	143,684,393	385,797,972
TOTAL INCOME		143,684,393	385,797,972
Expenses:			
Direct Cost and Materials Consumed	13	139,632,720	340,594,511
Changes in inventories of finished goods and contract in progress	14	(2,436,888)	(2,734,061)
Employee benefits expense	15	575,716	1,473,278
Finance costs	16	1,800,000	680,000
Depreciation and amortization expenses	4	139,931	217,311
Other expenses	17	3,762,997	5,661,796
TOTAL EXPENSES		143,474,476	345,892,834
Profit before tax		209,917	39,905,138
Tax expense:			
Current tax		340,000	13,500,000
Deferred tax		(450,592)	1,127,122
Tax adjustments for earlier years		(310)	-
		(110,902)	14,627,122
Profit after tax		320,819	25,278,016

As per our report of even date attached

For JAGTIANI & NAIK
Chartered Accountants
Firm Regn. No. 103854W


R. H. SHAH
PARTNER
Membership No. 139417

PLACE: MUMBAI
DATED: 3 SEP 2024

For and on behalf of the Partners


On Behalf of Krishna Buildspace Pvt Ltd
Designated Partner : Sandip M Sorathia
DIN : 06433083


On Behalf of Netel (India) Ltd
Designated Partner : Tarjindar Singh
DIN : 02544712

NETEL KRISHNA ECO PROJECTS LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024

1. SIGNIFICANT ACCOUNTING POLICIES :

a) Basis of Preparation of Financial Statements :

These financial statements have been prepared in accordance with the Rule 24 of the Limited Liability Partnership Rules, 2009.

b) Revenue Recognition :

- i) Revenue from service activities spread over a specific period of time is recognized on a straight line basis over the period.
- ii) Revenue from fixed price contracts is recognized by applying the percentage of completion method to the contract value.

c) Property, Plant and Equipment :

Property, Plant and Equipment are stated at cost less depreciation and impairment. Cost includes all expenses and financing costs related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use.

d) Depreciation :

Depreciation on Property, Plant and Equipment is provided as per Income Tax Rates.

e) Inventories :

Inventories are valued as under:

- i) Contract-in-process at lower of cost and net realizable value.
- ii) Finished Products at lower of cost and net realizable value.

f) Taxation :

- i) Provision for tax is made on the basis of the estimated taxable income as per the provisions of the Income Tax Act, 1961 and the relevant Finance Act, after taking into consideration judicial pronouncements and opinions of the Company's tax advisors.



- ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognized only to the extent it is virtually certain that there will be sufficient income to recover such deferred tax asset.

g) Provisions and Contingencies:

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements



NETEL KRISHNA ECO PROJECTS LLP
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	Particulars	As At 31.03.2024		As At 31.03.2023	
		Rs.	Rs.	Rs.	Rs.
2	PARTNERS' CAPITAL ACCOUNT				
	Krishna Buildspace Pvt Ltd.		51,000		51,000
	Netel (India) Ltd.		49,000		49,000
			<u>100,000</u>		<u>100,000</u>
3	PARTNERS' CURRENT ACCOUNT				
	<u>Krishna Buildspace Pvt Ltd.</u>				
	Opening Balance	16,201,792			
	Add : Amount introduced during the period	3,000,000		8,500,000	
	Add : Interest thereon	900,000		340,000	
	Add: Net profit as per Profit and Loss Statement	163,618		12,891,788	
	Less : Amount withdrawn during the period	(4,000,000)	16,265,410	(5,529,996)	16,201,792
	<u>Netel (India) Ltd.</u>				
	Opening Balance	15,913,096			
	Add : Amount introduced during the period	4,500,000		8,500,000	
	Add : Interest thereon	900,000		340,000	
	Add: Net profit as per Profit and Loss Statement	157,202		12,386,228	
	Less : Amount withdrawn during the period	(5,500,000)	15,970,297	(5,313,132)	15,913,096
			<u>32,235,707</u>		<u>32,114,888</u>



M/S. NETEL KRISHNA ECO PROJECTS LLP

Note : 4 STATEMENT SHOWING FIXED ASSETS FOR THE YEAR ENDED 31st MAR 2024

Description of Assets	Rate of Dep	Opening	Additions during the period	Deduction during the period	Total Cost	Depreciation	W.D.V. As on 31.03.24
Furniture and Fixtures	10%	708,696	9,322	-	718,018	71,802	646,216
Vehicles	15%	237,353	-	-	237,353	35,603	201,750
Office Equipments	15%	90,296	-	-	90,296	13,544	76,752
Laptop	40%	47,455	-	-	47,455	18,982	28,473
TOTAL		1,083,800	9,322	-	1,093,122	139,931	953,191



NETEL KRISHNA ECO PROJECTS LLP
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	Particulars	FY 2023-24	FY 2022-23
		Rs	Rs
5 INVENTORIES			
	Work in Progress / Contract in Progress	5,170,950	2,734,061
		5,170,950	2,734,061
6 TRADE RECEIVABLES			
	Other Trade Receivables	63,516,205	139,584,716
	Debts due for a period less than 6 months	39,788,125	-
		103,304,330	139,584,716
7 CASH AND BANK BALANCES			
	Balance with Bank in Current Account	1,658,629	8,667,635
		1,658,629	8,667,635
8 SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)			
	Advance Recoverable in cash or in Kind	4,925	220,327
	Receivable from Statutory / Government Authorities	3,151,253	3,877,124
	Tax Deducted at Source (net of Provision for Tax)	987,363	-
	Prepaid expenses	-	43,581
		4,143,541	4,141,032
9 OTHER CURRENT ASSETS			
	Security Deposit	106,000	106,000
	Earnest Money Deposit	4,362,000	4,362,000
	Unbilled revenue	-	482,531
		4,468,000	4,950,531
10 CURRENT LIABILITIES			
	Trade Payables	85,717,171	118,528,752
	Statutory Liabilities	240,849	2,768,700
	Salary Payable	22,240	49,443
	Other Payables	706,143	208,582
		86,686,403	121,555,477
11 SHORT-TERM PROVISIONS			
	Provision for Income Tax (Net of Tax Deducted at Source)	-	6,264,290
		-	6,264,290

NETEL KRISHNA ECO PROJECTS LLP
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	Particulars	FY 2023-24 Rs.	12th Oct 2021 to 31st Mar 2023 Rs.
12	REVENUE FROM OPERATIONS		
	Project Sales	143,684,393	385,797,972
		143,684,393	385,797,972
13	Direct Costs and Materials Consumed		
	Cost of Materials for Projects	53,631,384	196,580,275
	Construction Contract Costs for Projects	65,326,695	112,686,578
	Business Execution Management Services	17,480,105	27,727,652
	Service Charges	13,500	123,700
	Insurance	-	424,137
	Labour Cess	90,785	2,367,488
	Transportation charges	1,888,028	654,151
	Vehicle Registration Charges	1,201,323	-
	Water Supply Charges	900	30,530
		139,632,720	340,594,511
14	CHANGES IN INVENTORIES OF FINISHED GOODS AND Work in Progress / Contract in Progress		
	<u>Opening Stock :</u>		
	Finished Goods	-	-
	Work in Progress / Contract in Progress	2,734,061	-
	Traded Goods	-	-
		2,734,061	-
	<u>Closing Stock :</u>		
	Finished Goods	-	-
	Work in Progress / Contract in Progress	5,170,950	2,734,061
	Traded Goods	-	-
		5,170,950	2,734,061
	(INCREASE) / DECREASE IN INVENTORIES	(2,436,888)	(2,734,061)
15	EMPLOYEE BENEFITS EXPENSES		
	Salaries and Wages	556,555	1,447,789
	Welfare Expenses	19,161	25,489
		575,716	1,473,278
16	FINANCE COSTS		
	Interest Expense	1,800,000	680,000
		1,800,000	680,000



	Particulars	FY 2023-24 Rs.	12th Oct 2021 to 31st Mar 2023 Rs.
17	OTHER EXPENSES		
	Hire Charges	64,600	270,420
	Labour Charges	1,234,056	357,120
	Electricity Charges	44,877	68,635
	Repairs and Maintenance	209,808	403,457
	Rent	427,000	633,000
	Professional Fees	33,500	604,900
	Audit Fees	165,000	250,000
	Messing Charges	682,371	984,573
	Travelling and Conveyance	627,891	785,762
	Guest House Expenses	-	174,944
	Security Charges	110,000	237,100
	Communication Expenses	17,544	61,166
	Printing and Stationery	26,444	108,583
	Office Expenses	-	158,840
	Business Promotion Expenses	25,000	-
	Loading and Unloading Charges	12,200	87,470
	Brokerage Charges	-	35,000
	Medical Expenses	-	36,749
	Ineligible Goods and Services Tax Credit written off	-	69,310
	Interest on Late Payment of Tax	12,107	208,493
	Bank Charges	4,396	2,032
	Courier Charges	19,923	-
	Miscellaneous Expenses	46,280	124,243
		3,762,997	5,661,796

